UNITED NATIONS

General Assembly

EIGHTEENTH SPECIAL SESSION

Official Records

AD HOC COMMITTEE
1st meeting
held on
Monday, 23 April 1990
at 3 p.m.
New York

SUMMARY RECORD OF THE 1st MEETING

Chairman: Mr. ZEPOS (Greece)

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ELECTION OF OFFICERS

ORGANIZATION OF WORK

INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES

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90-55529 2471S (E)

Distr. GENERAL
A/S-18/AC.1/SR.1
27 April 1990

ORIGINAL: ENGLISH

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The meeting was called to order at 3.25 p.m.

ELECTION OF OFFICERS

1. The CHAIRMAN said that, as decided by the General Assembly in the plenary meeting that morning, the Vice-Chairmen of the Ad hoc Committee were Mr. Ahmed Ghezal (Tunisia), Mr. Eduard Kukan (Czechoslovakia) and Mr. Wang Baoliu (China), and the Rapporteur was Mr. Samuel R. Insanally (Guyana).

ORGANIZATION OF WORK (A/S-18/7 (Parts I and II))

2. The CHAIRMAN drew attention to the report of the Preparatory Committee for the Eighteenth Special Session (A/S-18/7 (Parts I and II)).

3. Since some organizations wished to address the Committee later in the week, he suggested that the Committee should also hear statements on the morning of Wednesday, 25 April. If he heard no objection, he would take it that the Committee decided to proceed in that manner.

4. It was so decided.

5. The CHAIRMAN invited the Committee to consider the organization of its work as it related to the preparation of the final document to be submitted to the General Assembly. Since the Group of 77 would be meeting for most of the following morning, the Ad Hoc Committee would not be able to begin its first reading of the texts submitted to it, as contained in document A/S-18/7 (Part II), before noon that day.

6. For the remainder of the week, he wished to suggest that two working groups should be established and that they should meet concurrently. Conference services would be available for the two working groups to meet concurrently for three meetings daily.

7. If he heard no objection, he would take it that the Committee decided to adopt the suggestions he had just made.

8. It was so decided.

INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES

9. Mr. GURGULINO DE SOUZA (United Nations University) said that the subject of the special session, the global economy, was one of the United Nations University's themes for priority action. The global economy faced several critical problems, which could be grouped under the following broad headings: continuing slow growth in the industrial countries, combined with massive payments imbalances among those countries and the continuing danger of inflationary pressures; the enormous drain on world resources resulting from unproductive expenditures on armaments, particularly by the super-Powers; the stagnation, even retrogression, in economic growth, investment and living standards in a wide range of developing countries and in Eastern Europe; the continuing problem of hunger and famine in the third world,

(Mr. Gurgulino De Souza)

especially among the poorest billion in Asia and Africa; and the threat posed to the global environment by current technologies for the production and use of material resources.

10. It was the General Assembly's principal task at the current session to attempt to impart a new dynamic to the world economy and, in particular, to renew and revitalize the development process in the third world. The United Nations University and, in particular, the University's World Institute for Development Economics Research (WIDER), had been deeply involved for some years in studying in depth the various issues he had mentioned.

11. He wished to begin by focusing on the first issue to which he had just referred, that of slow growth in the industrial countries and the continuing massive payments imbalances among the major trading nations. It would be useful to start with the twin deficits of the United States. In recent years, both the United States budget deficit and the United States external payments deficit had been in the region of $150 billion. In the present climate of détente between the super-Powers, a substantial reduction in their defence expenditures should be possible. A substantial reduction in United States military spending would yield corresponding reductions in the United States budget and payments deficits. That, by itself, would be a major step towards eliminating the current massive payments imbalances, but it would at the same time pose additional threats to world economic growth if the deflationary impact of a reduced United States payments deficit was not offset by demand expansion elsewhere. Since that was unlikely to happen on the scale required in the developed surplus countries, the recycling of surpluses to developing countries, accompanied by policy reforms for the productive absorption of surpluses, would become imperative if world activity was to be maintained at a sufficiently high level. That was the insight to which the proposal submitted by Bolivia, on behalf of the States Members of the United Nations that were members of of the Group of 77, to the current special session sought to give political recognition by inserting the following language into the draft declaration:

> "Recognition by the international community that in an increasingly interdependent world, the developing countries could play an important role in the stabilization, growth and expansion of the world economy, for the progress and prosperity of all peoples."

12. How surpluses might best be recycled had been a major concern of the University's WIDER Institute. In 1987, a WIDER study group had published a plan for a Japanese initiative to recycle international surpluses to developing countries. That plan envisaged the recycling of $125 billion over a period of five years by a combination of various institutional mechanisms.

13. WIDER's work concerning the potential supply of financial resources to developing countries had been complemented by a WIDER estimate of the potential demand for resources, based upon a sample of countries, if the third world was to embark upon a path of "socially necessary" growth in the 1990s. Socially necessary growth had been defined for those purposes as involving the pursuit of minimum

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(Mr. Gurgulino De Souza)

basic needs objectives, the reduction of unemployment to acceptable levels and improvements in income distribution. Socially necessary growth in that sense was fully in line with a key principle for international economic co-operation identified in the Canadian proposal submitted to the General Assembly at the current session, which read: "All human beings have a basic right to a life free from hunger, poverty, ignorance, disease and fear. The reduction of poverty and greater equity in income distribution are major goals".

14. On that basis, the socially necessary rate of growth required to reach the development goals postulated for the year 2000 turned out to be at least 5.5 per cent per year on average in terms of gross domestic product in the 1990s, as compared with, for example, the 3.5 per cent achieved in 1989, although the low-income countries would need to do better. To launch the developing countries as a whole on to that growth path would require an additional annual inflow of external resources during the decade amounting to $40 billion in 1990 and rising to $60 billion by the year 2000.

15. A more direct attack on the debt burden of developing countries remained an essential element of any international strategy to revitalize the development process. A further WIDER study group had stressed the importance of debt reduction on a large scale for the highly-indebted middle-income countries, both for the health of the world economy and for broad moral and political reasons. The resources required to bring about debt reduction on an adequate scale were estimated at $50 billion.

16. It was increasingly recognized that the additional financing required by developing countries was not likely to come from official transfers or other publicly-supported financial flows alone, but would need to be supplemented by substantial private flows. There was the further consideration that non-debt-creating flows had particular priority when so many developing countries were having extreme difficulties in servicing loan capital. The steps that developing countries could take to attract private portfolio capital by fostering the growth of their domestic capital markets had been discussed in some detail by a WIDER study group.

17. As part of WIDER's programme on socialist countries, a symposium for economic policy makers in socialist countries had been held at Helsinki in March 1990 on the basis of a forthcoming WIDER publication entitled The Road to a Free Economy. The book in question advocated a "big bang" approach to economic reforms of the kind being implemented in Poland under the guidance of WIDER research adviser Professor Jeffrey Sachs. The WIDER symposium had stressed the need for adequate external resource supports if that kind of reform package was to be viable in socio-political terms by cushioning the shock of the transition.

18. The environment dimension of economic growth and development had now become a major concern of the international community. That, too, was an area in which the United Nations University and the WIDER Institute were engaged in ongoing studies designed to elaborate on the issues involved and make useful policy

(Mr. Gurgulino De Souza)

recommendations. Among the tasks that were being attempted was that of precisely defining the concept of sustainable development and evolving proposals that might constitute an input into the 1992 United Nations Conference on Environment and Development. WIDER's work in that area was being complemented by a programme under implementation by the University's headquarters at Tokyo, dealing with the human dimensions of global change.

19. The interrelationships between and the complexity of the issues that he had touched upon would clearly require much closer international co-operation in the 1990s than in the past. They required a global decision-making forum of manageable size, and both the United Nations and the Bretton Woods systems had experimented with various ways of reducing what could often be an extended debate in a large forum to a meaningful dialogue. It was not surprising therefore that the key industrial countries had retreated into summit meetings at the level of Heads of State of the "Five" or the "Seven" to take major decisions on issues ranging from exchange rates to the environment. The resulting erosion of the authority of the international financial and economic institutions could, in the view of yet another WIDER study group, be redressed only if a countervailing "Group of the Non-Five" were to organize itself in such a way as to delegate negotiating authority to a smaller group comprising 7 to 10 "Heads of Government of the Non-Five". The dialogue of the 1990s would, in that event, be between the Five and the representatives of the Non-Five.

20. The United Nations University would continue its work on those and other institutional questions. For reasons of time he had concentrated only on certain highlights of a more comprehensive statement, copies of which would be made available to delegations.

21. Mr. ALIKHAN (World Intellectual Property Organization) said that a large share of the activities of the World Intellectual Property Organization (WIPO) concerned inventions. Technological inventions either originated in a given country or reached that country by way of the transfer of technology. The creation of inventions within each country's own territory by its own nationals was of extreme importance to the country in question and was to be encouraged. Indigenous inventiveness was an indispensable element for economic self-reliance. The capacity to invent was there, to an equal extent, in every nation. What was needed was to encourage inventive talent. That was done by affording recognition and legal protection of the inventor's economic interest in his invention. One of WIPO's tasks was to advise the Governments of developing countries, or the institutions in charge of research and development in developing countries, on the creation of economic incentives for increasing the inventive activities of their nationals.

22. As far as the transfer of technology was concerned, it was clear that without it, industrialization, particularly accelerated industrialization, was hardly possible. It was extremely important, however, that the transfer should take place under fair and reasonable conditions. The negotiation of transfer-of-technology contracts required specialized skills. It was one of WIPO's objectives to help

(Mr. Alikhan, WIPO)

developing countries improve their skills in negotiating transfer-of-technology contracts when such contracts involved industrial property. That was done through the publication of guides on the negotiation of contracts, and the organization of training courses for that purpose. As what he had just said suggested, technology acquired from abroad generally exceeded locally generated technology. That was only natural. The test of technological development was in the capacity of a country to absorb, adapt as required and further develop imported technology. That was particularly true of new and emerging technologies.

23. A major requirement for facilitating developing countries' absorption of new and emerging technologies was to improve their access to information on such technologies. Information on most technologies was available from patent documents, Nearly 1 million new patent documents, describing several hundreds of thousands of new inventions, were published each year throughout the world. The problem was to facilitate developing countries' access in practice to that world-wide technical library. In addition to providing training to enhance the skills of developing countries' personnel in the use of patent information, WIPO gave advice on appropriate collections of patent documentation, the organization and classification of such documentation and means of access to documentation. It was also operating a free-of-charge patent information service, including the provision of reports on the state of the art.

24. The Ad Hoc Committee might wish to consider the advisability of making express reference, in the declaration to be adopted by the General Assembly at the current session, to the development in developing countries of national inventive activity, capacities and skills for the negotiation of transfer-of-technology contracts, and access to and the use of technological information.

25. With regard to the role to be played by the United Nations system in international development co-operation in the 1990s and its responsibilities in the task of revitalizing growth and development, he pledged WIPO's full commitment to the pursuit of that task, within its area of competence.

26. At the historic moment of Namibia's admission to the United Nations, he wished to mention that WIPO was sending a senior-level mission to Namibia in May 1990 to establish contacts with the relevant government authorities. WIPO would be glad to co-operate in the Namibian Government's plans to establish or modernize its intellectual property system.

27. Mr. DUTIA (Food and Agriculture Organization of the United Nations) said that agriculture had a major role to play in efforts to attain the goals of the special session. An expanding food and agriculture sector and rural development were crucial for the eradication of poverty and hunger, for the development of human resources and for ensuring the environmental sustainability of development.

28. The development of the food and agriculture sector depended above all on national efforts. However, the success of such efforts depended on a supportive international economic environment. The primary cause of worsening food insecurity in developing countries was the poor growth of domestic food and agricultural production, coupled with inadequate purchasing power. The only way to increase

(Mr. Dutia, FAO)

food and agricultural production in those countries was to provide adequate incentives to the producer, and many developing countries were undertaking appropriate policy reforms within the framework of structural adjustment and stabilization programmes. Macro-economic policy reforms could succeed only if they removed disincentives to agriculture, particularly in the form of unfavourable real producer prices. However, fiscal restraints often reduced the resources available for supporting the agricultural sector. Structural adjustment and stabilization programmes must therefore be implemented with and supported by adequate external resources in order to promote the growth of the agricultural sector, and they must ensure minimum levels of food security and social services so as not to inflict undue hardship on the poor.

29. Education and training at all levels and maximum popular participation in development were also essential in order to realize the growth potential of a population. Agricultural research and development and its application through extension activities were also necessary.

30. Improved access to productive inputs, including input delivery systems, must be given higher priority, and greater efforts must be made to bring small producers into the mainstream of agricultural development. Improvements in rural infrastructure were also indispensable for accelerating agricultural growth. In order for agricultural strategies to ensure the necessary sustainability, they must also be complemented by policies to provide alternative means of survival for the poor and to slow down population growth. Sustainability would also require a substantial increase in investment.

31. Turning to the external economic environment, he said that unsustainably high levels of debt service had greatly undermined food security in many developing countries. Financial constraints had limited food imports and imports essential to agricultural development, and dwindling inflows had exacerbated the general inadequacy of productive investment in those countries.

32. Improved conditions for international trade in food and agriculture must also be created. The tendency for certain industrialized countries to generate structural surpluses of commodities under high-cost support régimes, and to subsidize exports at the expense of competing, cost-effective exporters, must be reversed in order to expand the developing countries' markets for their traditional agricultural exports. Barriers to trade in certain products also required remedial action.

33. Even if remedial measures could be successfully negotiated, however, many low-income countries would still need improved infrastructures and institutional capacities in order to take advantage of market opportunities. Liberalization of the global agricultural trading system might also raise prices for basic foods to levels that would seriously disadvantage net food-importing developing countries. Remedial action must therefore include special and differential treatment for developing countries, export diversification, measures to increase productivity and competitiveness, and compensatory arrangements. Greater attention must also be paid to enhancing and stabilizing export earnings from the developing countries'

(Mr. Dutia, FAO)

traditional commodity exports. Lastly, increased external development assistance was also crucial for agricultural and rural growth in the developing countries.

34. Mr. DE ARANJO (Conference of Non-governmental Organizations in Consultative Status with the Economic and Social Council) said that non-governmental organizations were deeply committed to international co-operation and the goals of economic development. NGOs had made major contributions to a host of United Nations conferences on development issues held in the past two decades. They also had considerable practical experience to contribute, especially given the new emphasis on popular participation and the recognition that the impact of development on people was the ultimate measure of its effectiveness.

The meeting rose at 4.20 p.m.

UNITED NATIONS

General Assembly

EIGHTEENTH SPECIAL SESSION

Official Records

AD HOC COMMITTEE
2nd meeting
held on
Tuesday, 24 April 1990
at 12 noon
New York

SUMMARY RECORD OF THE 2nd MEETING

Chairman: Mr. ZEPOS (Greece)

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ORGANIZATION OF WORK

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90-55535 2472S (E)

Distr. GENERAL
A/S-18/AC.1/SR.2
26 April 1990

ORIGINAL: ENGLISH

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The meeting was called to order at 12.30 p.m.

ORGANIZATION OF WORK

1. The CHAIRMAN said that he had been informed that the Group of 77 had concluded its consideration of the two "non-papers" attached to the report of the Preparatory Committee. He therefore suggested that the drafting group should meet informally to deal with the "non-papers" paragraph by paragraph, beginning with the amalgamated "non-paper" in three sections contained in pages 8 to 14 of document A/S-18/7 (Part II).

2. Mr. ALMABROUK (Libyan Arab Jamahiriya) asked that the drafting group should take account of the fact that for Muslims it was the fasting month of Ramadan.

3. Mr. NAVAJAS-MOGRO (Bolivia) asked that the organization of the work of the drafting group take account of a draft proposal to be presented on behalf of the Group of 77.

4. The CHAIRMAN suggested that, in light of the statement made by the representative of the Libyan Arab Jamahiriya, the informal meeting of the drafting group should be held from 3 p.m. to 7 p.m. and from 9 p.m. to midnight on 24 April 1990.

5. It was so decided.

The meeting rose at 12.40 p.m.

UNITED NATIONS

General Assembly

EIGHTEENTH SPECIAL SESSION

Official Records

AD HOC COMMITTEE
3rd meeting
held on
Wednesday, 26 April 1990
at 10 a.m.
New York

SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. ZEPOS (Greece)

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INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALLIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued)

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90-55541 2481S (E)

Distr. GENERAL
A/S-18/AC.1/SR.3
27 April 1990

ORIGINAL: ENGLISH

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The meeting was called to order at 10.35 a.m.

INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued) (A/S-18/7 and Add.1 (Parts I and II))

1. Mr. WIESEBACH (Deputy Director-General of the United Nations Industrial Development Organization) said that over the previous decade, industrial growth and development had varied with the pace of economic growth in the third world. The developing countries' share of world industry had remained static, yet industrialization was still the quickest and, for many countries the sole, means of escaping poverty.

2. During the 1990s, the United Nations Industrial Development Organization (UNIDO) would focus on improving manufacturing efficiency at the plant level and on strengthening the national institutions and policies which supported industry.

3. A major objective would be to promote economic and industrial growth in order to alleviate the crippling debt problem. UNIDO would also help the Governments of developing countries to strike a more equitable balance between the public and private sectors. It would continue its efforts to preserve past investment through industrial rehabilitation and to ensure environmentally sustainable development.

4. In many developing countries, faltering industrial development could be reactivated through a renewal of investment. UNIDO would thus step up its efforts to help developing countries seek investment opportunities, particularly export-oriented industries.

5. The 1990s would be marked by intense competition in world markets and by constant change in the process of innovation, which would require the developing countries to adopt new strategies and policies. Endogenously driven technological development was essential. Managerial and entrepreneurial innovation would be necessary if the developing countries were to reap the benefits of the new technologies.

6. In recent years the globalization of production had become increasingly important. While it could offer considerable economies of scale and strengthened the potential for South-South co-operation, such globalization tended to lead the developing countries to master only part of the production process. The conflict between the potential for increased efficiency and the need for mastery of the entire production process called for carefully considered technical assistance responses.

7. Industrial rehabilitation featured prominently in structural adjustment programmes. Rehabilitation could be necessitated by problems at the enterprise level or by problems stemming from inappropriate macro-economic policies. Accordingly, priority must be given to opportunities for investment in industries which offered good prospects of success in the context of macro-economic reform.

(Mr. Wiesebach)

UNIDO programmes were designed to help national and development finance authorities assess industrial rehabilitation requirements at the sectoral, subsectoral and enterprise levels and to revitalize or reorient ailing industries. Small- and medium-scale enterprises could play a pivotal role in the industrial development process and UNIDO would therefore focus on that sector of industry.

8. Environmental degradation in the developing countries was primarily related to poverty and underdevelopment. Environmental factors must be taken fully into account in development planning. For its part, UNIDO promoted industrial growth by seeking a proper balance between short-term profitability and the need for durable resource and environmental conservation.

9. Support to the developing countries remained the primary mission of UNIDO. At a time when developing countries faced the prospect of diminishing financial resources and a reduction in collective export earnings, a clear commitment to the principles of the United Nations, including support for the less privileged peoples and countries, was more important than ever. The organizations of the United Nations system should be strengthened in order to ensure the effective use of the developing countries' human and physical resources.

10. Mr. LOOS (World Bank) said that the fundamental development issues concerned the need to provide a more favourable environment for growth in the developed and developing countries and to stem the surge of poverty. While some developing countries had made enormous strides in the previous decade, a greater number had suffered reverses, especially in Africa and Latin America. For many of the world's poor, the 1980s had been a lost decade.

11. Formidable obstacles remained to be overcome in decreasing poverty throughout the world. Direct action was essential to combat the problem of hunger. In sub-Saharan Africa, one person in four did not have enough to eat. It was crucial to increase agricultural production and adjust economic policies in order to raise incomes.

12. Rapid population increase was a threat to sustainable growth and a prime cause of poverty. The weight of poverty fell most heavily on women, hence the importance of improving the status of women. Development could not advance far if women were left behind.

13. A major element in improving the quality of life was ensuring the efficient use of labour. The productivity of an educated work-force was the most reliable engine of economic growth. Human resource development was not only necessary for the satisfaction of consumer demand, it was also a productive investment.

14. Structural adjustment lending was intended to support policies which reduced external imbalances and encouraged the resumption of sustained growth. In some cases, adjustment programmes might be accompanied by a temporary reduction in living standards for some segments of the population, and specific consideration was now given, in the design of adjustment programmes, to the effect of such programmes on the poor.

(Mr. Loos)

15. The fight against global poverty must include a commitment to environmental protection. Poverty was a major cause of environmental degradation, and programmes to reduce poverty were also effective ways of preserving the environment.

16. The problem of debt required urgent and effective action. The Bank would continue to work with Governments and the international financial community in developing a flexible approach to debt reduction in each country.

17. Current overall resource flows were inadequate to meet the needs of developing countries. Growth could not be sustained unless it was adequately funded. Both developing country Governments and the donor community must focus on the most effective and efficient use of domestic and international resources. At the same time, the developing countries must take charge of their own destinies.

18. The Bank was committed to carrying its share of the burden. In fiscal year 1989, new commitments had exceeded $21 billion and, as a result of the recently-approved replenishment of the International Development Association, $15 billion would be provided in the next three years for programmes in the poorest countries. In connection with the changes that had taken place in Eastern Europe, he assured delegations that the Bank's assistance to Eastern Europe would be additional to, not at the expense of, its assistance to other, poorer parts of the developing world.

The meeting rose at 11.10 a.m.

UNITED NATIONS

General Assembly

EIGHTEENTH SPECIAL SESSION

Official Records

AD HOC COMMITTEE
4th meeting
held on
Saturday, 28 April 1990
at 6 p.m.
New York

SUMMARY RECORD OF THE 4th MEETING

Chairman: Mr. ZEPOS (Greece)

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INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued)

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90-55554 2497S (E)

Distr. GENERAL
A/S-18/AC.1/SR.4
9 May 1990
ENGLISH
ORIGINAL: FRENCH

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The meeting was called to order at 8.55 p.m.

INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (A/S-18/AC.1/L.3; A/S-18/AC.1/L.2) (continued)

1. Mr. NAVAJAS MOGRO (Bolivia), speaking on behalf of the Group of 77, introduced the draft resolution contained in document A/S-18/AC.1/L.3 and entitled "Second United Nations Conference on the Least Developed Countries". The text dealt exclusively with procedural questions and was intended only to complement resolution 42/177 by which the General Assembly had decided to convene the Conference. The Group of 77 had revised the wording of the draft in consultation with the United Nations Office of Legal Affairs. He read out the revised text.

2. He listed in detail the changes made to the original draft (A/S-18/AC.1/L.3) to create the final text: the second and third preambular paragraphs would be deleted, as would operative paragraph 1. Paragraphs 2, 3 and 4 would become new operative paragraphs 1, 2 and 3. Paragraph 5 would become the new paragraph 4 and would incorporate the following changes: (i) in paragraph (a) the wording "and permanent observers to the General Assembly" would be deleted; (ii) a new paragraph (b) would be added, reproducing the wording which he had read out; (iii) a new paragraph (c) reproducing the wording which he had proposed would be added; (iv) paragraph (b) of the original draft would become paragraph (d); (v) paragraph (c) of the original draft would become paragraph (e) and the words "the United Nations" would be replaced by "UNCTAD"; (vi) paragraph (d) of the original draft would become paragraph (f), with the substitution of "UNCTAD" after "with" and with the deletion of the phrases "a subsidiary organ of" and "as well as interested personalities". Finally, paragraph 6 of the original draft would become the new operative paragraph 5, with the addition of the phrase "from the above-mentioned Fund" after the words "by financing".

3. Mr. SESAKI (Japan), speaking on a point of order, said that the Japanese and other delegations had been waiting outside for informal consultations to take place on the draft resolution, and had not been informed that the current meeting of the Ad Hoc Committee was in session. He asked for explanations.

4. The CHAIRMAN said that it had been announced over the loud speaker that the Ad Hoc Committee was going to hold a formal meeting, as planned.

5. Mr. SESAKI (Japan) asked whether the formal meeting would be suspended to permit informal consultations to take place.

6. The CHAIRMAN remarked that no informal consultations had been announced.

7. He then invited the Committee to consider the draft declaration which the Ad Hoc Committee had to submit to the General Assembly. He recalled that after numerous negotiations, consultations and readings of unofficial documents, a draft proposal had been submitted on 26 April, in document A/S-18/AC.1/L.2. That

(The Chairman)

document had given rise to several informal meetings, at the end of which he as Chairman, had taken the initiative of drawing up a new text entitled "Declaration", which had been distributed without a symbol that morning to the members of the Ad Hoc Committee. As time was short, he hoped that no more informal meetings on the text would be held and that views would be exchanged and comments given on it at the current meeting.

8. Mr. DJOGHLAT (Algeria) requested some clarification. Firstly, he wished to know whether there was any relationship between the current session of the Ad Hoc Committee and the informal negotiations which were being held at that very moment in the office of the President of the Economic and Social Council. Secondly, if it was envisaged that the usual working method was to be abandoned, and a working group set up, he wished to stress that it would be for the regional groups themselves to designate their representatives on it.

9. The CHAIRMAN clarified his position. He hoped that the text submitted to the Ad Hoc Committee would be the subject of exchanges of views and comments. On the basis of those comments he would then propose a new method of working. Meanwhile he encouraged informal contacts between representatives. On the first point, he stated that he did not have to make any connection between the work of the Ad Hoc Committee and that of other groups meeting in a spirit of co-operation to exchange their views on the question under discussion.

10. Mr. SESAKI (Japan) congratulated the Chairman on the work which he had accomplished and the quality of the proposed text. It was, however, difficult to accept it as a consensus document, and there would doubtless be a need for further informal contacts. He wished to know whether the Chairman was formally "authorizing" the holding of informal meetings, or whether he was limiting himself to "encouraging" them.

11. Mr. HUSLID (Norway) noted that certain delegations felt a degree of dissatisfaction, which was quite normal in that the document took account of widely differing points of view. However, the draft declaration contained numerous positive elements and proposed significant objectives in the area of economic co-operation. While it might not meet all the hopes of the developing countries, its merits outweighed its shortcomings and it reflected very adequately the differing opinions of the members of the Ad Hoc Committee. Norway thus felt that it should be approved in its entirety.

12. Mr. HAYES (Ireland) recalled that, during recent negotiations, the member countries of the European Economic Community (EEC) had decided, in order to facilitate the work, to reduce to a minimum the number of amendments they would request. They had reviewed the text elaborated by the Chairman and noted that their views had been taken into account. The process of unofficial documents and informal meetings had finally led to a draft which, overall, provided an objective reflection of the Committee members' views, whatever the weaknesses of the text. He joined with the representative of Norway in requesting that the proposed text should be adopted by consensus.

13. Mr. LAVROV (Union of Soviet Socialist Republics) said that, submitted as a last resort, the text was imperfect and had several flaws. There were those who might wish to make substantive or drafting changes. Nevertheless, he believed that the text adequately reflected the viewpoints expressed by the delegations during the lengthy work which had preceded its elaboration. Joining with those delegations which had requested that the draft declaration should be considered a consensus text, his delegation would make every effort to bring about conciliation in future discussions and exchanges concerning the text.

14. Mr. WANG (China) said that the text of the draft declaration elaborated by the Chairman was in the main acceptable. He nevertheless was proposing amendments which could improve the text in two places. The first concerned paragraph 28, which dealt with the environment and was not specific enough. In order to reflect the position taken by the General Assembly in the previous year, more emphasis should be placed on the resources to be invested in environmental protection. The relevant wording contained in document A/AC.233/L.6, submitted by Canada, might be used and could easily be inserted in the text of the declaration.

15. Paragraph 26 of the declaration, concerning the external debt, could also be improved. The last two sentences of that paragraph, which referred to differences of opinion on the subject among the delegations, should be deleted. While it understood the difficulties of certain delegations, particularly with respect to the question of the external debt, China hoped that the parties involved could adopt more flexible positions in order to arrive at a text acceptable to all.

16. Mr. GORAJEWSKI (Poland) said that the text of the draft declaration elaborated by the Chairman ought to be acceptable on a consensus basis since a large number of the views expressed by the delegations had been taken into consideration. Poland was prepared to join that consensus, provided that the text was modified to incorporate a point about which it was deeply concerned and which had not been duly reflected.

17. Poland understood particularly well the importance that the developing countries attached to the issue of the external debt since it had also experienced the harmful effects of a heavy debt burden, amounting to $40 billion. While supporting, as it had always done, the interests of the developing countries in that respect, Poland hoped that its own interests would also be recognized and supported in the spirit of international solidarity.

18. His delegation believed that the final document of the special session should make reference to not only the developing countries but also other countries with serious debt-servicing problems. In its opinion, the language used in paragraph 13 of General Assembly resolution 44/205 should be introduced into the draft declaration in order to present in a more balanced manner the various interests at stake.

(Mr. Gorajewski, Poland)

19. His delegation proposed therefore the insertion of paragraph 26 bis, which would read:

> "We recognize that the external indebtedness of some other countries with serious debt-servicing problems also gives rise to considerable concern and invite all those involved to take this into account in working towards a growth-oriented solution to the external debt problems."

20. In a spirit of compromise and understanding, his delegation proposed the insertion in the first sentence of paragraph 26, after the words "the developing countries", of the words "and some other countries with serious debt-servicing problems", on the basis of the exact language used in General Assembly resolution 44/205.

21. The CHAIRMAN stressed that the views expressed by delegations had already been taken into consideration during the meetings devoted to the elaboration of the draft declaration.

The meeting was suspended at 10 p.m. and resumed at 10.45 p.m.

22. The CHAIRMAN invited the Group of 77 to meet immediately after the conclusion of the Committee's meeting.

The meeting rose at 10.50 p.m.

UNITED NATIONS

General Assembly

EIGHTEENTH SPECIAL SESSION

Official Records

AD HOC COMMITTEE
5th meeting
held on
Monday, 30 April 1990
at 8 p.m.
New York

SUMMARY RECORD OF THE 5th MEETING

Chairman: Mr. ZEPOS (Greece)

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The meeting was called to order at 9.45 p.m.

INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES (continued) (A/S-18/AC.1/L.2 and L.3/Rev.1)

1. The CHAIRMAN invited the Ad Hoc Committee to consider the text of the draft Declaration which the Ad Hoc Committee was to submit to the General Assembly. The draft proposal in document A/S-18/AC.1/L.2, which had been orally revised, had been further revised during extensive and protracted negotiations, and he had been informed that the text now before the Ad Hoc Committee* met the wishes and aspirations of all members. On the basis of an agreement that no further changes would be requested, that text would become the draft Declaration and would be annexed to the report of the Ad Hoc Committee to the General Assembly.

2. If he heard no objection, he would take it that the Ad Hoc Committee wished to recommend the draft Declaration, as orally revised, to the General Assembly for adoption at its eighteenth special session.

3. It was so decided.

4. Mr. BARRETO (Brazil) noted with satisfaction that the draft Declaration reflected recognition by the Ad Hoc Committee that the revitalization of the economic growth and development of the developing countries was a matter of the utmost urgency and importance.

5. He wished to state that Brazil read paragraph 31 in the light of paragraph 89 of the Final Document of the Tenth Special Session of the General Assembly (resolution S-10/2), the first special session devoted to disarmament, the basic thrust of which had been reaffirmed more recently in the second preambular paragraph of General Assembly resolution 43/73 and in paragraph 5 of the annex to General Assembly resolution 44/114 A.

6. Mr. IRUMBA (Uganda) paid a tribute to the efforts of the Chairman in achieving a text acceptable to most delegations. He expressed regret that, despite strenuous efforts, it had not been possible to arrive at language in paragraph 26 that would have made a reference to the debt problems of the least developed countries. He hoped that there was no intention of obstructing measures to mitigate their indebtedness and that steps would be taken at the forthcoming Second United Nations Conference on the Least Developed Countries to rectify the situation.

7. Mr. MARKS (United States of America) said that there appeared to be differing opinions regarding the character of the draft Declaration. He wished to thank the President of the General Assembly for his successful intervention in bringing negotiations to a conclusion which had been successful in terms of the objectives,

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* Subsequently issued in document A/S-18/14 (para. 17).

(Mr. Marks, United States)

interests and benefit of the United Nations and the world. He also paid a tribute to the efforts of the representative of Bolivia for the leadership which he had demonstrated in his capacity as Chairman of the Group of 77.

8. Mr. NAVAJAS-MOGRO (Bolivia) said that the draft Declaration marked the beginning of an era in that it expressed the will of the international community to achieve consensus on fundamental principles which were extremely important to the developing world. It was a matter of great satisfaction that the international community was assuming a special responsibility for the development of the developing countries on the premise that such action would redound to the benefit of the entire international community.

9. Mr. JOMAA (Tunisia) welcomed the fact that, for the first time, a consensus on general economic questions had been reached in the General Assembly. That augured well for a new era and he hoped that the same spirit would be reflected in other areas in the future.

10. Mr. GEBREMEDHIN (Ethiopia) said that, like all compromises, the draft Declaration had both weaknesses and strengths. He was happy to note that it was a forward-looking document and he derived particular encouragement from paragraphs 37 and 38, even though his delegation recognized that, in paragraph 26, there was no indication of measures to be taken on behalf of the least developed countries. He trusted that due account would be taken of the concerns of those countries during the Second United Nations Conference on the Least Developed Countries.

11. Mr. HAYES (Ireland), speaking on behalf of the European Economic Community, expressed satisfaction at the final outcome of the work of the Ad Hoc Committee. He wished to pay a special tribute to the Chairman, who, as Chairman of the Preparatory Committee, had already made a very substantial contribution.

12. Mr. LAVROV (Union of Soviet Socialist Republics) paid a tribute to the Chairman, to the representative of Bolivia in his capacity as Chairman of the Group of 77 and to the President of the General Assembly for the important roles they had played in the efforts to reach consensus on the most difficult questions which had arisen in connection with the draft Declaration.

13. His delegation agreed that a new era had begun that would open up the possibility for genuine consensus on the economic activities of the United Nations system. All countries must learn to live in conditions of interdependence and to recognize the multilateral aspects of most problems. The experience of the Group of 77 had been of great value and had demonstrated the possibilities of finding a balance of interests within a large group of countries. The same lesson must be learned by others.

14. The draft Declaration represented a great step forward in the direction of multilateralism. That was a major achievement and would not have been possible without the contribution of every delegation. It was also consistent with the current commitment of the international community to reaffirm the priority to be given to accelerating the development of the developing countries. Without such priority, he feared for the survival of the world.

15. Mr. WANG Baoliu (China) welcomed the adoption of the draft Declaration, particularly at the beginning of a new decade. He believed that the document would be of great significance and benefit in the future work of the United Nations.

16. Mr. HOLTHE (Norway), speaking on behalf of the Nordic countries, welcomed the common sense of purpose and flexibility which had been demonstrated in the Ad Hoc Committee.

17. Mr. MAIGA (Mali), speaking on behalf of the Group of African States, said that the draft Declaration embodied the international community's commitment to reversing the negative trends of the 1980s, particularly by tackling the problems related to the external debt of the developing countries and other issues. The African countries, whose economic situation continued to deteriorate, hoped that the Committee's work would give a new impetus to the search for solutions. The Second United Nations Conference on the Least Developed Countries in 1990, the elaboration of the new international development strategy for the fourth United Nations development decade and the re-evaluation in 1991 of the United Nations Programme of Action for African Economic Recovery and Development should present special challenges and opportunities in that regard.

18. Mr. MAKAREVITCH (Ukrainian Soviet Socialist Republic), speaking on behalf of the Group of Eastern European States, expressed satisfaction at the spirit of compromise shown by all participants in the recent negotiations.

19. Mrs. ARMSTRONG (Canada) said that her delegation, which had been an early supporter of the special session, appreciated the process which had led to a consensus on economic co-operation and development. The debate had been characterized by respect for the views of all participants, despite disagreements.

20. Mr. RONDON-MUSSO (Venezuela), speaking on behalf of the Group of Latin American and Caribbean States, expressed the hope that the spirit of compromise which had led to a consensus on the draft Declaration would continue throughout the 1990s.

21. Mr. AL-KINDI (United Arab Emirates), speaking on behalf of the Arab States, said that the draft Declaration would play an important role in the future work of the United Nations.

22. Mr. FUJIMOTO (Japan) said that the draft Declaration represented an ambitious effort to address the rapidly changing situation in the world economy, the problems of the developing countries and the need for concerted action by the international community. He endorsed the comments made by the representative of Canada and felt that much had been achieved during the debate.

23. Miss POIRET (France) said that the Committee had adopted an important set of principles which constituted a promising basis for the forthcoming Second United Nations Conference on the Least Developed Countries. It was to be hoped that the desire for consensus expressed during the session would again be displayed on that occasion, and that the Conference would produce tangible results, in accordance with the spirit of solidarity embodied in the draft Declaration.

24. Mr. ANDREEN (Sweden), speaking on behalf of the Group of Western European and other States, expressed appreciation for the efforts made by all parties to the debate.

25. Mr. QURESHI (Pakistan), speaking on behalf of the Group of Asian States, welcomed the successful outcome of the negotiations.

26. Mr. NAVAJAS-MOGRO (Bolivia), speaking on behalf of the States Members of the United Nations which were members of the Group of 77, proposed that the Committee should adopt the following draft decision: "The General Assembly decides to defer consideration of draft resolution A/S-18/AC.1/L.3/Rev.1 entitled 'Second United Nations Conference on the Least Developed Countries' to a meeting of the General Assembly at its forty-fourth session, to be convened on 17 May 1990".

27. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee agreed to adopt that draft decision.

28. It was so decided.

ADOPTION OF THE REPORT OF THE AD HOC COMMITTEE (A/S-18/AC.1/L.1)

29. Mr. INSANALLY (Guyana), Rapporteur, introducing the draft report of the Ad Hoc Committee (A/S-18/AC.1/L.1), read out some minor changes to paragraph 3. The text as submitted was incomplete, as it did not take into account what had occurred at the current and previous meetings of the Ad Hoc Committee, and lacked a final section containing the recommendations of the Ad Hoc Committee to the General Assembly. In view of time constraints, he suggested that the Ad Hoc Committee should adopt the section of the draft report which was before it and authorize the Rapporteur to finalize the text for submission to the General Assembly.

30. The CHAIRMAN said that, if he heard no objection, he would take it that the Ad Hoc Committee agreed to follow that procedure.

31. It was so decided.

COMPLETION OF THE AD HOC COMMITTEE'S WORK

32. The CHAIRMAN declared that the Ad Hoc Committee had completed its work.

The meeting rose at 10.55 p.m.